



Committee report

Committee	FULL COUNCIL
Date	17 JULY 2013
Title	ROOT AND BRANCH SERVICE REVIEW
Report of	LEADER OF THE COUNCIL

EXECUTIVE SUMMARY

1. This paper sets out a proposed process for undertaking a root and branch service review of Council services in order for the Council to develop its future policies, plans and service strategies that will be needed to deliver the priorities of the Council within the resources that will be available.

OUTCOMES

2. To get ownership of and agree the process and timescale for undertaking service reviews including the involvement of and consultation with relevant stakeholders, staff, partner agencies, residents and users.

BACKGROUND

3. The Island Independents, as the new administration, are committed to transparency and inclusiveness. The priorities of the administration are set out in the Framework for Change and Council is asked to agree that this will form the overall framework for considering and progressing policies and actions through the Council's formal decision making processes.
4. As part of this the root and branch review is essential in getting a real understanding of the current position of the financial, service scope and quality of each service area so that effective policies, plans and service strategies can be developed.
5. The Council faces a challenging financial position from 2014/15 onwards with significant reductions in central government grants and increasing cost pressures. The root and branch review will enable a better informed basis for developing the budget strategy.

PROPOSED PROCESS

6. It is proposed that a Service and Budget Review Steering Group be formed to oversee the root and branch service reviews and the development of the

budget strategy. This will comprise the Leader, Deputy Leader and Cabinet members supported by the Directors Team. The proposed terms of reference are set out in Appendix A.

7. The first task of this group would be to select the initial list of service areas that would be a priority for completion by December 2013. This would be based on an overview of current budget and service issues, those areas felt to be a priority and those areas where the greatest opportunity for change exists.
8. It would also be useful and welcome if all Councillors and /or Groups fed into the Steering Group their views as to the priority areas that they feel should be considered initially.
9. Once the initial priority areas and scope of the reviews are agreed it is proposed that each review be led by the responsible Cabinet Member supported by another Cabinet Member and the relevant Director and service leads. The scope of the review would also set out what stakeholders, Partner Agencies, user groups etc. would be involved and/or consulted as part of the review.
10. The process will also need to ensure that it enables the views and contributions from front line staff and operational managers to be input into the reviews. This should avoid having a top down approach and give a better understanding of the practical difficulties, challenges and opportunities that exist in delivering services.
11. Depending upon the review it may be that other Councillors will wish to be a part of the review or give their views to it. Subject to numbers this could be accommodated. Once the reviews are agreed Councillors will have the opportunity to put themselves forward to be part of a review if they so wished.
12. In addition it is proposed that the Steering Group regularly update the Overview and Scrutiny Committee on overall progress. The Overview and Scrutiny Committee will decide how it wants to be involved in the process.
13. Reports to Full Council would be made in September 2013 and December 2013 on the overall Budget and Service Review position.
14. The overall proposed process is set out in Appendix B.

STRATEGIC CONTEXT

15. The Council's Corporate Plan – along with the Medium-Term Financial Strategy to deliver it – was agreed by Council at its meeting on 15 June 2011.
16. The key priorities in the Corporate Plan provide a framework for the setting of the Council's budget and where resources should be prioritised: i.e. to deliver the outcomes required that will make a difference to the way services are delivered and improved for residents and visitors. The activities set out within individual service plans aim to deliver the required outcomes and are supported by service budgets.
17. The Corporate Plan will reflect the priorities of the new administration and will be informed by the Island Independent's Framework for Change document

and the root and branch review of services. The new Corporate Plan will be put before Council alongside the outcome of the initial reviews and the budget strategy at its meeting in February 2014. At this stage Council is asked to agree that the Framework for Change attached at Appendix C is used as a basis for developing the Council's approach.

CONSULTATION

18. This report sets out a process that enables Full Council to consider and own the root and branch review process. The process outlined enables involvement and consultation throughout the reviews, involvement of Overview and Scrutiny in considering the progress of the reviews and reports to Full Council in September and December.
19. A consultation plan will be drawn up for consultation with residents, users stakeholders, staff and unions on specific proposals and budget proposals.

FINANCIAL / BUDGET IMPLICATIONS

20. Provided that the initial priorities for service reviews are scoped realistically then they can be delivered within existing resources. There may be some additional costs from consultation exercises but this should be able to be contained from within existing budgets.
21. The outcomes from the service review should enable the Council to deliver priorities more cost effectively and have a more informed way of allocating resources that are likely to be available. It should also highlight where there are opportunities to make savings and to consider how the totality of services can be delivered within the budget constraints.

CARBON EMISSIONS

22. There are no direct carbon emissions issues arising from this report but the service reviews will take into account any relevant carbon emission strategies.

LEGAL IMPLICATIONS

23. The Council will need to set a lawful and balanced budget and Council Tax level for 2014/15 at the Council meeting on 26 February 2014. In developing any proposals the necessary equality impact assessments and consultation processes will need to be followed.
24. The service review process will include identifying the Council's statutory duties in relation to service delivery and in the overall functions of the Council.
25. In deciding on further savings proposals and the savings that can be delivered in 2014/15 regard needs to be had to the timescales involved in undertaking any necessary statutory processes and consultation.

EQUALITY AND DIVERSITY

26. The council as a public body is required to meet its statutory obligations under the Equality Act 2010 to have due regard to eliminate unlawful discrimination,

promote equal opportunities between people from different groups and to foster good relations between people who share a protected characteristic and people who do not share it. The protected characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

27. Under the Equality Act 2010 we are required to have due regard to our equality duties when making decisions, reviewing services, undertaking projects, developing and reviewing policies. This must be done at the formative stage of the proposal, not retrospectively as justification for the recommendation. There are no direct implications for the Council's duties under the terms of the Equality Act 2010 arising from the recommendation within this paper. There are no additional opportunities for it to eliminate unlawful discrimination, promote equal opportunities between people from different groups and foster good relations between people from different backgrounds arising from the decision to agree to this policy.
28. When specific proposals are made to change the way services are delivered Equality Impact Assessments will be completed and taken into account with consultation responses before making final decisions.

OPTIONS

29. The options are:

Option One: To agree the terms of reference of the Service and Budget Review Steering Group set out in Appendix A and the overall process set out in Appendix B

Option Two: To propose changes to the terms of reference and/or process.

Option Three: To adopt a different process altogether.

EVALUATION

30. Option one provides the council with a clear transparent and inclusive process for conducting a root and branch review of services with the necessary monitoring and reporting to Overview and Scrutiny, Cabinet and Full Council. This is felt to give the best chance of securing the outcomes required within the overall timescales required and therefore this option is recommended.
31. Option two gives Council the opportunity to suggest any improvements to the terms of reference and/or process .Such changes would need to demonstrate their effectiveness in achieving the required outcomes.
32. As the proposed terms of reference and process have been developed to achieve the desired outcomes in an inclusive and consultative way within the timescales required it is not felt that an alternative process would be as successful. Of particular concern would be a process that was so comprehensive, detailed and work intensive that it never delivered any outcomes and took too long. Conversely an approach that does not engage relevant stakeholders and/or is too superficial has the risk of not being owned and not delivering any real outcomes. Option 3 is therefore not recommended.

RISK MANAGEMENT

33. The key budget risks to the Council relate to additional reductions in grants from Government; budget pressures being even higher than anticipated; savings and efficiencies not being delivered; proposed income levels not being achieved; inflation being higher than expected.
34. It is important that the Council takes a medium-term approach to its budget setting. There are still considerable uncertainties over the level of resources the Council will receive in 2014/15 and a significant level of grant reductions still to be suffered in subsequent years. The adoption of a root and branch review of services should enable the Council to allocate resources more effectively and contend with the financial challenges it faces.
35. The adoption of a clear and owned process should also ensure that the necessary work is undertaken within the required timescale

RECOMMENDATION

36. That Council agree :-

- (i) That the Framework for Change attached at Appendix C is used as a basis for developing the Council's approach to its Corporate Plan.

That the root and branch review of services and budget strategy development be managed through a Service and Budget Steering Group in accordance with the terms of reference set out in Appendix A and the process set out in Appendix B

APPENDICES ATTACHED

37. [Appendix A](#) – Proposed Service and Budget Review Steering Group Terms of Reference
38. [Appendix B](#) – Overall Proposed Service and Budget Review Process
39. [Appendix C](#) - Framework For Change

BACKGROUND PAPERS

None

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